

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 EB-07 FRB-03 TRSE-00 SEC-01 CIAE-00  
DODE-00 INR-07 NSAE-00 PA-01 USIA-06 PRS-01 SP-02  
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FM AMEMBASSY BUDAPEST  
TO SECSTATE WASHDC IMMEDIATE 7577

LIMITED OFFICIAL USE BUDAPEST 4238

E.O. 11652: N/A  
TAGS: EFIN, HU  
SUBJECT: WORLD WAR I FLOUR DEBT - HUNGARIAN NOTE

REF: STATE 307580, BUDAPEST 4239

FOLLOWING IS TEXT OF HUNGARIAN NOTE (NO. 1230-6/76) ON SETTLEMENT  
OF WORLD WAR I FLOUR DEBT:

1. THE MINISTRY OF FOREIGN AFFAIRS OF THE HUNGARIAN PEOPLE'S  
REPUBLIC PRESENTS ITS COMPLIMENTS TO THE EMBASSY OF THE UNITED  
STATES OF AMERICA IN BUDAPEST AND HAS THE HONOUR TO REFER TO  
THE EMBASSY'S NOTE NO. 303 DELIVERED ON DECEMBER 20, 1976, AS  
OF DECEMBER 15, 1976.

2. THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC TAKES  
THIS OPPORTUNITY TO STATE ITS AGREEMENT WITH THE CONTENTS OF  
THE EMBASSY'S NOTE NO. 303 DELIVERED ON DECEMBER 20, 1976, AS  
OF DECEMBER 15, 1976 AND ITS ANNEX. IN THIS REGARD, THE  
GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC UNDERTAKES TO  
PAY TO THE GOVERNMENT OF THE UNITED STATES OF AMERICA, BY  
DEPOSITING TO THE GENERAL FUND ACCOUNT OF THE UNITED  
STATES DEPARTMENT OF THE TREASURY AT THE FEDERAL RESERVE  
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BANK OF NEW YORK NOT LATER THAN DECEMBER 23, 1976, THE  
SUM OF FOUR MILLION, THREE HUNDRED TWENTY-SEVEN THOUSAND,  
TWO HUNDRED SEVENTY-ONE AND FORTY-FOUR ONE-HUNDREDTHS  
UNITED STATES DOLLARS (US DOLLARS \$4,327,271.44) AS  
PAYMENT IN FULL OF ALL OBLIGATIONS OF THE GOVERNMENT OF

THE HUNGARIAN PEOPLE'S REPUBLIC TO THE GOVERNMENT OF THE UNITED STATES OF AMERICA DUE AS OF DECEMBER 15, 1976 PURSUANT TO THE AGREEMENTS DATED APRIL 25, 1924 AND MAY 27, 1932.

3. FROM THE EMBASSY'S NOTE NO. 303 THE GOVERNMENT OF THE HUNGARIAN PEOPLE'S REPUBLIC UNDERSTANDS, THAT UPON NOTICE FROM THE FEDERAL RESERVE BANK OF NEW YORK THAT \$4,327,271.44 HAS BEEN DEPOSITED TO THE GENERAL FUND ACCOUNT OF THE UNITED STATES TREASURY, THE GOVERNMENT OF THE UNITED STATES WILL RETURN TO THE EMBASSY OF THE HUNGARIAN PEOPLE'S REPUBLIC IN WASHINGTON, D.C. BONDS OF THE GOVERNMENT OF HUNGARY MATURING ON OR PRIOR TO DECEMBER 15, 1976, PURSUANT TO THE AGREEMENTS OF 1924 AND 1932.

4. WITHIN FIVE DAYS AFTER RECEIPT OF THE NOTICE OF THE ABOVE DEPOSIT TO THE FEDERAL RESERVE BANK OF NEW YORK, THE UNITED STATES DEPARTMENT OF THE TREASURY WILL ISSUE PUBLIC NOTIFICATION THAT THE RESTRICTIONS OF THE JOHNSON ACT (U.S. PUBLIC LAW 80-772) NO LONGER APPLY TO HUNGARY. THE U.S. SECURITIES AND EXCHANGE COMMISSION (SEC), UPON OFFICIAL NOTIFICATION BY THE U.S. DEPARTMENT OF THE TREASURY THAT THE GOVERNMENT OF HUNGARY HAS PAID ALL ARREARAGES, WILL PUBLISH A NOTICE RESCINDING ITS RELEASE NO. 10610 DATED JANUARY 22, 1974. THE U.S. DEPARTMENT OF THE TREASURY WILL SO INFORM THE SEC WITHIN THREE DAYS AFTER RECEIPT OF NOTICE OF THE ABOVE DEPOSIT.

5. THE MINISTRY OF FOREIGN AFFAIRS OF THE HUNGARIAN PEOPLE'S REPUBLIC AVAILS ITSELF OF THIS OPPORTUNITY TO LIMITED OFFICIAL USE

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RENEW TO THE EMBASSY OF THE UNITED STATES OF AMERICA THE ASSURANCES OF ITS HIGHEST CONSIDERATION.

6. DELIVERED ON DECEMBER 20, 1976 AS OF DECEMBER 15, 1976. MUDD

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NNN

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* LIMITED OFFICIAL USE

## Message Attributes

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